

MEMORANDUM OF UNDERSTANDING

between

CITY OF SANTA CLARA

and

**IAFF Local 1171
SANTA CLARA FIREFIGHTERS
UNIT #1**



DECEMBER 16, 2007 – DECEMBER 24, 2011

MEMORANDUM OF UNDERSTANDING
between
CITY OF SANTA CLARA
and
IAFF LOCAL 1171
representing
SANTA CLARA CITY FIREFIGHTERS, UNIT # 1

December 16, 2007 – December 24, 2011

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December 16, 2007 – December 24, 2011

In accordance with the provisions of Section 18 of the City of Santa Clara Resolution #2979, entitled "Employer-Employee Relations", This Memorandum of Understanding (MOU) constitutes the results of discussions between the City Management Staff (City) and the formally recognized representatives of the Santa Clara City Firefighters, IAFF Local 1171, Unit # 1, (Union herein includes all successor representatives) on all matters within the scope of representation between December 16, 2007 and December 24, 2011.

It is hereby proposed and recommended that the City Council adopt the following, effective as indicated:

1. **TOTAL COMPENSATION**

A. For the purposes of this agreement, total compensation is defined to include the following items:

- 1) Salary**
- 2) Fringe Benefits:
 - a. Retirement (CalPERS)**
 - b. Holiday Pay*
 - c. Vacation Pay*
 - d. Uniform Maintenance**
- 3) Insurance:
 - a. Life**
 - b. Health**
 - c. Dental**
 - d. Disability**
 - e. Psychological**
 - f. Retiree Medical***

**Movement allowed only under the provisions agreed to in this MOU.

*These elements are directly tied to salary and move as a function of salary. No independent movement is allowed in these element areas.

*** The Union and City agree that the Retiree Medical Reimbursement described in Section 31 of this MOU is a non-discretionary allocation in the Total Compensation Array/Salary Adjustment Form. City contributions to VEBA, if any, under Section 30 of this MOU, shall not be included in total compensation on the Total Compensation Array/Salary Adjustment Form.

B. Except where noted, total compensation of comparing agencies as defined above will be determined by computing the total compensation effective October 1 of each preceding year afforded similarly represented classifications of Firefighter in the comparing agencies of the cities of Mountain View, Palo Alto, San Jose, Milpitas and Santa Clara County Central

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Fire Protection District and obtaining the average total compensation afforded those agencies.

- C. It will be a requirement of the Union to allocate each year in advance, in accordance with the attached tabular description, and consistent with this memorandum, the distribution of total compensation monies within the following element areas: 1) salary, 2) life insurance premiums, 3) medical insurance premiums, subject to the requirement that the amount of the Kaiser single health insurance premium, including the PEMHCA minimum, be included in the mandatory section of the total compensation array, 4) long-term disability insurance premiums, 5) dental plan and 6) uniform maintenance. Distribution of total compensation monies is to be made based upon: 1) the total compensation arrays for the related benchmark classifications, and 2) the maximum premiums payable by the City, and not actual premium to be paid by City, except as noted elsewhere in this MOU.

2. ADJUSTMENT OF TOTAL COMPENSATION

- A. YEAR 1 (2008). Effective the pay period commencing December 16, 2007, for all classifications represented by the Union, the City shall adopt a monthly total compensation schedule that will increase the total compensation of the benchmark classification of Firefighter by 6.16%. The new total compensation schedule shall reflect the current City rates for CalPERS, PEMHCA, Kaiser single employee health insurance, and retiree medical.
- B. YEAR 2 (2009). Effective the pay period commencing December 14, 2008, for all classifications represented by the Union, the City shall adopt a monthly total compensation schedule that will increase the total compensation of the benchmark classification of Firefighter by 5.0%. The new total compensation schedule shall reflect the current City rates for CalPERS, PEMHCA, Kaiser single employee health insurance, and retiree medical.
- C. YEAR 3 (2010). Effective the pay period commencing December 27, 2009, for all classifications represented by the Union, the City shall adopt a monthly total compensation schedule that will increase the total compensation of the benchmark classification of Firefighter by 4.5%. The new total compensation schedule shall reflect the current City rates for CalPERS, PEMHCA, Kaiser single employee health insurance, and retiree medical.
- D. (Year 4) Effective the pay period commencing December 26, 2010, for all classifications represented by the Union, the City shall adopt a monthly total compensation schedule that will increase the total compensation of the benchmark classification by the greater of either 4.0% or the amount needed to bring the total compensation of the classification of Firefighter to 5.0% above the benchmark average of the City's total compensation survey. (See Section 1.B.) The new total compensation schedule shall reflect the current City rates for CalPERS, PEMHCA, Kaiser single employee health insurance, and retiree medical.
- E. The benchmark classification of Firefighter shall not receive a salary decrease in any year of this MOU as a direct result of an increase in the

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CalPERS' employer rate under the retirement benefits contract between CalPERS and the City in effect at the time of adoption of this MOU.

- F. For purposes of adjustment of total compensation, total compensation for the comparison agencies is defined as top step salary (excluding range for seniority or longevity steps), and fringe benefits paid by the agency to the employee or on the employee's behalf after five (5) years of service in that classification which are recurring in nature and available to each employee in the classification, as shown in the Definitions section in the "Tabular Description" below. For the City of Santa Clara, total compensation shall be defined as those elements listed in Section 1 of this MOU.
- G. If the amount of the benchmark's total compensation adjustment in any given year is contingent on the annual total compensation survey of comparison agencies, and if a comparing agency adopts a total compensation adjustment after the City has adopted and implemented the total compensation allocation for the following calendar year, and the effective date of the comparing agency's subsequently adopted total compensation adjustment is on or before October 1 of the survey year, the City will recalculate the total compensation array, either upward or downward. Such adjustment will be applied effective beginning the pay period following confirmation of the adjustment(s). A recalculation prompted by this subsection will not entitle the Union to make any change in allocations to the total compensation array as specified in Item 1C of this agreement.
- H. For the duration of this MOU, the provisions specified below in this Section 2(H)(1-4) are suspended.

It will be the prerogative of the Union to allocate the distribution of total compensation monies among element items 1(A) prior to the first pay period of each calendar year. During the lifetime of this agreement specific retirement benefits as may be allowed by the California Public Employees Retirement System (CalPERS) may be added or deleted subject to the following conditions:

- 1) All such changes will have equal application to all public safety personnel, including eligible members of the Police Department, if so required by CalPERS.
- 2) The Union will assume the responsibility of coordinating with the eligible members of the Police Department any desired retirement modifications prior to submission to the City, and be prepared to ensure the City, in writing, that such modifications are consistent with the wishes of the majority of eligible personnel in each of the Public Safety Bargaining Groups.
- 3) A minimum of nine (9) calendar months advance notice will be given the City, in writing, specifying the nature of the desired changes.

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- 4) Any cost associated with obtaining the proposed retirement benefit such as actuarial valuations or administrative expenses imposed by CalPERS shall be paid by the Fire and Police Bargaining Groups. Before any such costs are incurred, representatives of one of the two groups must assume the responsibility of reimbursing the City for all related costs upon demand.
- I. It will be the prerogative of the Union each year to allocate from total compensation a specific sum (based upon total allocated positions; payable to the Union) toward medical benefits for retired Fire Department employees, as determined by the Union. Union assumes full responsibility for disbursements to retired employees and shall defend and hold the City harmless in the event of any litigation with respect to the administration and disbursement of funds by Union for the medical benefits of retired Fire Department employees.
- J. It is recognized by both parties to this agreement that it is their mutual responsibility to independently verify, to the extent possible, the accuracy of the information upon which total compensation adjustments are made. Should it be discovered by either party that adjustment(s) to salary and fringe benefits are based on erroneous information or has been erroneously computed, the necessary corrective action will be taken as soon as practical after the discovery and notice of the error has been given. It is the mutual responsibility of both parties to report any suspected error immediately upon discovery to the other party. However, the period for which there will be a right to recover any monies which are either overpaid by the City or underpaid to the employee shall be limited to an adjustment period of up to 90 calendar days from the date the error was first reported to the other party. The corrective action will be taken even in circumstances where the error may bridge successive MOUs, but the recovery will still be limited to amounts owed or owing during the prior 90 calendar days. The 90 calendar day period will begin upon the date of written notification by personal service upon the other party.

Right of recovery by the City of overpayment shall be limited to recovery over the same period as the overpayment was made. Said repayment will begin with the next paycheck following final determination of the amount to be repaid. Underpayment to the employee shall be made by the City in a lump sum of the amount owed on the next regular paycheck following final determination of the amount to be paid.

TABULAR DESCRIPTION OF
ADJUSTMENT OF TOTAL COMPENSATION

Upon adoption of MOU for 2007 and by December 1, 2008, 2009, and 2010.

Union presents its allocation of total compensation monies among the element areas noted in Item 1(A) and in accord with the above action.

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Pay periods commencing December 16, 2007; December 14, 2008; December 27, 2009; and December 26, 2010.

City implements Union's total compensation array, as verified by the City.

DEFINITIONS

1. Top Step Salary - Maximum step in the monthly salary classification (excluding range for seniority or longevity steps).
2. Life, Health, Dental, LTD and other Insurance - Maximum agency monthly contribution per employee to insurance premiums as defined in Item I(A)(3) plus maximum agency monthly contribution to other fringe benefit insurance premiums.
3. Retirement - Maximum agency monthly contribution per employee to retirement.
4. Holiday Pay - Holiday pay shall be calculated on the basis of top step salary (excluding range for seniority or longevity) and the number of holidays provided to an employee upon reaching top step salary (excluding range for seniority or longevity). Formula used for the calculation shall be the agency formula and shall be footnoted on the array.
5. Vacation Pay - Vacation pay shall be calculated on the basis of top step salary (excluding range for seniority or longevity) and the vacation accrual rate an employee receives upon reaching top step salary (excluding range for seniority or longevity). The same formula shall be used for San Jose, Milpitas, Santa Clara County Central Fire District, Palo Alto, Mountain View and Santa Clara.

Annual Vacation Hours X 24 Hour Rate (Top step salary)

12

24 hour rate (top step salary) is calculated by taking the monthly salary rate, multiplying by 12 and dividing by 2912.

6. Retiree Medical Maximum agency contribution to retiree medical for which any current employee may be eligible multiplied by

the number of retirees agency-wide,
divided by the number of authorized
full-time positions.

7. Other -

Monthly salary equivalent of or
maximum monthly agency contribution
to other fringe benefits available to all
full-time agency employees. To be
eligible for inclusion in comparison
data, such benefits of the comparing
jurisdiction must be of a recurring
nature or become part of their
compensation base.

8. Total Compensation

The sum of items 1 through 7 above.

3. CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (CALPERS)

A. Represented employees shall receive all previously negotiated CalPERS retirement benefits, including the 3% at age 50 benefit formula.

B. CalPERS Rate Changes

1) Between the pay period that includes July 1 of each payroll year and the last full pay period in December of each payroll year, the City pays the full amount of any CalPERS rate increase or reduces its CalPERS payment by the full amount of any rate reduction.

2) The employee's contribution will continue to be treated as tax deferred.

C. The CalPERS retirement benefit includes the 4th Level 1959 Survivor Benefit and the Alternate Death Benefit. The cost of the 4th Level 1959 Survivor Benefit shall be paid by the City's public safety employee organizations, with the Union's cost designated as a separate line item in the Union's mandatory allocation CalPERS category on the Total Compensation Array/Salary Adjustment Form. The cost of the Alternate Death Benefit shall be paid by the Union and Unclassified Fire Management which cost shall be designated as a separate line item in the Union's Mandatory Allocation CalPERS category on the Total Compensation Array/Salary Adjustment Form.

D. The parties agree that there shall be no CalPERS retirement benefit enhancements during the term of this MOU.

4. VACATION ACCRUAL AND USAGE

Annual and maximum vacation accrual rates, calculated to four decimal points for accuracy, are as follows:

40 HOUR EMPLOYEES

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<u>COMPLETED</u> <u>YEARS OF SERVICE</u>	<u>ANNUAL</u> <u>ACCRUAL</u>	<u>MAXIMUM</u> <u>ACCRUAL</u>
1 through 9	15 days/120 hrs.	400 hours
10 through 19	20 days/160 hrs.	400 hours
20 and over	22 days/176 hrs.	400 hours

24 HOUR EMPLOYEES

<u>COMPLETED</u> <u>YEARS OF SERVICE</u>	<u>ANNUAL</u> <u>ACCRUAL</u>	<u>MAXIMUM</u> <u>ACCRUAL</u>
1 through 9	8 shifts/192 hrs.	672 hours
10 through 19	10 shifts/240 hrs.	672 hour
20 and over	12 shifts/288 hrs.	672 hours

Represented employees are entitled to use vacation as it is earned under the following conditions:

- A. Vacation may not be taken during the first twelve (12) months of regular employment.
- B. Vacation will be earned on a bi-weekly basis (1/26 of the annual accrual) provided that the employee is in a paid status for at least 2/3 of the hours of that pay period.
- C. Employee is required to take at least 1/2 of the vacation earned during the previous calendar year in the current calendar year.
- D. Upon the completion of the first calendar year of service represented employees are eligible to take the vacation that has been awarded him/her. Following the completion of the first calendar year of employment, represented employees may take all or a part of earned vacation that has been posted to his/her account on a bi-weekly basis, subject to the departmental vacation use policy. Employees who reach the maximum number of accrued vacation hours cease to earn vacation during any bi-weekly pay period when their vacation balance has reached the maximum accrual allowed for their current service. Vacation time that is not accrued to an employee because he/she has reached the maximum accrual limit may be credited to the Emergency Paid Leave Pool if requested by the employee.
- E. Vacation may be used in one tenth (1/10) hour increments.
- F. Subject to having a sufficient balance of accrued vacation available, an employee may, on a once per year basis, convert a maximum of 40 hours of accrued vacation (56 hours for 24 hour per day employees) to cash at his/her current hourly rate of pay.
- G. In lieu of receiving a vacation leave cash payout at retirement, the Union may vote to roll accrued vacation leave hours into the employee's Voluntary Employee Beneficiary Association (VEBA) account, subject to Union

compliance with Federal rules associated with employee contributions of vacation leave to their VEBA accounts.

5. HEALTH INSURANCE PREMIUMS

A. Mandatory Health Allocation

Kaiser single employee health insurance will be included in the Total Compensation array as a Mandatory Allocation. The amount allocated for Kaiser single employee health insurance will be the premium minus the statutorily required Public Employees Medical and Hospital Care Act (PEMHCA) contribution. The PEMHCA contribution will remain in the Total Compensation array as a separate Mandatory Allocation. The City will change the dollar amount designated within the array for Kaiser single employee health insurance when the premium amount changes and/or when the statutorily required PEMHCA contribution changes.

B. Discretionary Health Allocation

The Union may (on a once-a-year basis, commencing with the beginning of the calendar year) designate a fixed monthly sum for all represented employees for employee plus one or full family coverage. In order to offset the increase in premiums that may be expected during the course of the calendar year, the Union's monthly allocation for health insurance premiums may exceed the lowest cost family medical insurance coverage available by an amount not to exceed 10% of said premium at the time of the annual allocation of total compensation monies. If the medical insurance premium for the individual employee exceeds the amount allocated, the balance is paid by a salary deduction from the pay of the individual employee.

C. Health Allocation Refund

City health insurance coverage will be at the option of the individual employee. The City will refund the monthly allocation to employees who opt out of the City's health insurance coverage. All individual employees having health insurance payments made on his/her behalf that are less than the monthly amount allocated by the Union will have the difference refunded on a once-a-month basis. Such payments shall be made on the first paycheck issued in each month.

D. The City shall comply with the provisions of the Family and Medical Leave Act of 1993 (FMLA) and the California Family Rights Act of 1993 (CFRA).

6. FAIR LABOR STANDARDS ACT (FLSA)

A. Work Cycle

The monthly salary for employees who are assigned to work a 24 hour schedule will be adjusted by 1.75% rounded to the nearest whole dollar as full satisfaction of the City's obligatory payment of overtime hours worked during the current 24 day FLSA duty cycle. This practice replaces the past

practice of payment of 2.0% and the prior practice of payment of up to 10 hours at the half-time rate for employees who work more than 182 regular work hours during the FLSA cycle.

B. Compensatory Time Off

Employees may be compensated for overtime in the form of salary payment or, at the request of the employee and approval of the Fire Chief, Compensatory Time Off (CTO) at the 1 ½ time factor for the hours worked. The determination for the type of compensation received shall be that of the employee as long as it is consistent with departmental policies. The maximum allowable CTO accrual for represented employees shall not exceed ninety-six (96) hours.

7. HOLIDAY PAY

All represented employees are entitled to thirteen (13) shifts of holiday pay each year. Holiday pay is paid in addition to the regular base salary pay each bi-weekly pay period. For computation of the bi-weekly pay rate, the holiday pay for all represented employees is based upon the bi-weekly pay rate without regard to the 1.75% added compensation for FLSA pay applicable to employees in the Fire Protection Division. This holiday pay is subject to CalPERS as regular base pay.

8. OVERTIME (EMERGENCY)

A. Unscheduled Continuation of Shift

Represented employees shall be compensated at the time and one-half (1 ½) rate for actual hours worked (in 15 minute increments) for any unscheduled continued duty hours at the end of a shift.

B. Emergency Call-backs

Call back Emergency Overtime will continue to be compensated at time and one-half (1 ½) for a minimum three hour period and then for all time worked in excess of three hours in 15 minute increments.

9. PSYCHOLOGICAL COUNSELING

A represented employee may avail his/herself of a City designated psychologist or psychiatrist for stress counseling. It is understood between the parties that such counseling sessions will be confidential on a patient/doctor relationship with the following exception: If, in the opinion of the psychologist/psychiatrist, the employee being counseled represents a hazard to him/herself in the performance of his/her duties, or to others, such information will be provided to the Fire Chief or designee on a confidential basis. It is further understood that such information may be the basis for the Fire Chief or designee to alter the assignment of the affected employee or to remove the employee from active duty, either on a temporary or permanent basis. Any removal from active duty will be in compliance with the rights and obligations of the City with full compliance with the rights of the affected employee. The City reserves the right to inquire into the

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circumstances of such mental disability to determine whether or not the alleged disability is job related.

Funding for this program shall be from the total compensation allocation and will be determined by dividing the actual billed cost for the service for the prior fiscal year by the number of budgeted represented positions divided by 12. The cost of the psychological counseling shall be paid by the City, up to a maximum of ten (10) visits per calendar year, with the following exceptions:

- A. For the first six (6) visits, the employee will pay \$10.00 for each visit.
- B. For all visits, the employee will submit a claim to any medical insurance carrier available to him/her that provides such coverage.
- C. The uninsured costs of the last four (4) visits will be borne equally by the City and the employee.
- D. The amount paid by the employee and any insurance payments will be made directly to the psychologist/psychiatrist and, upon proof of payment by either or both the employee and the insurance carrier (if appropriate) to the psychologist/psychiatrist, the City will bear the cost of the remaining expense. It will be the intention of the City to contract with psychologists/psychiatrists who have a demonstrated ability to counsel in the area of fire service job stress and who will agree to the terms and conditions set forth in this section of the MOU. It is understood by all parties to this agreement that the City will take all reasonable steps to implement this section but, if the City is unable for monetary, professional, ethical or legal reasons to successfully negotiate contract(s) consistent with all provisions of this section, this section is then null and void.

10. OPERATIONAL COMMITTEES WITHIN THE FIRE DEPARTMENT

Assignment to and involvement within Fire Department Committees (i.e., Safety, Fire Prevention, JATC, First Aid, High Rise, Apparatus, HazMat, Uniform, etc.) shall be recognized. Additionally, all represented employees assigned to attend such committee meetings shall be entitled to compensation for their "off duty" attendance in pay or Compensatory Time Off (CTO) at the established rate.

11. PERSONNEL ASSISTING WITH CITY TESTING

Personnel approved to assist in the City's testing process shall be entitled to compensation for their "off duty" hours worked in such testing in pay or Compensatory Time Off (CTO) at the established rate.

12. DRIVER'S LICENSE – NON-COMMERCIAL CLASS B

The City will pay for required medical examinations for employees in all classifications that are required to have a Non-Commercial Class B Restricted driver's license.

13. EDUCATIONAL INCENTIVE PROGRAM

Career enhancement and development shall be encouraged through the existing Educational Incentive Program. The Program includes development for mid-management or administrative level functions, professional training in related fields, academic courses leading to an A.A. or A.S. degree in Fire Science, subject to funding provided for in the annual budget.

14. OUT-OF-CLASS COMPENSATION

Represented employees must work a minimum of three (3) hours performing duties of a higher job classification prior to receiving the appropriate out-of-class compensation rate. However, if such out-of-class assignment is performed for longer than three (3) hours, the additional compensation shall become applicable from the initial time of the assignment. Rotation of personnel in an effort to avoid out-of-class eligibility shall render this section of the agreement null and void. Determination of the eligibility for out-of-class assignment shall be consistent with the current practices.

15. SPECIAL ASSIGNMENT PAY

A. Paramedic Assignment

The represented classifications of Firefighter, Driver/Engineer and Fire Captain who are assigned to perform as Fire Paramedics assigned on a 24 hour shift basis will be entitled to the whole dollar amount difference between the "Step 5" Firefighter salary Range C1-30 and Range C1-34.

Employees in the classes of Firefighter, Driver/Engineer and Fire Captain must meet the minimum standard required for the Fire Paramedics and be accredited for practice within Santa Clara County prior to becoming eligible for consideration for Paramedic assignment.

It is the intent of this program to allocate assignment opportunities in each of the classes of Firefighter, Driver/Engineer and Fire Captain as determined through the budget process each year and those assignments be filled based on seniority bid within each classification. Bid assignments will be for a minimum of one (1) year.

Eligible represented classes may be assigned to work as a Fire Paramedic through the normal assignment practice and will be eligible for the same premium payment as if assigned through the bid system.

B. Training Assignment

Employees of the classifications of Firefighter and Driver/Engineer who are assigned to the Training Division shall be entitled to the appropriate pay for their classification, and an additional approximately 2-1/2% premium pay as determined through the City salary schedule. In the event employees are assigned to a 40 hour per week schedule, the premium pay will be approximately seven and one-half percent (7.5%). This would be done in

accordance with City's Salary Schedule.

Employees assigned to the Training Division will maintain all of their benefits, including holiday pay; however, they will not receive the automatic FLSA pay that Suppression personnel receive.

An employee who was receiving paramedic premium pay immediately prior to assignment to the Training Division shall have the option to either continue to receive paramedic premium pay or receive the 7.5% premium pay described above. If the paramedic opts to continue receiving paramedic premium pay, that individual must maintain his/her current paramedic license. Under no circumstance can an employee receive both paramedic premium pay and training premium pay at the same time.

Schedule: Employees assigned to the Training Division will be given the option to work either a standard Monday through Friday, 40-hour workweek, or a flexible, 9/80 schedule. The work schedule can be further modified by mutual consent of the employee and the Fire Chief. Training employees are not required to work on City holidays.

Physical Fitness: Employees assigned to the Training Division will be given 1 hour, three days a week, to participate in a physical fitness program.

Length of Assignment: Employees assigned to the Training Division will serve in that capacity for an unspecified time period depending on the needs of the Fire Department. An employee in the Training Division may request to return to the Suppression Division at any time and the Fire Chief may honor the request. If the employee has served in the Training Division for more than one year and that employee requests a reassignment to the Suppression Division, the Fire Chief will honor the request and return that employee to the Suppression Division as soon as practicable but no longer than 45 days from the date of the request.

C. Hazardous Materials Assignment

Employees who are certified by the California Specialized Training Institute (CSTI) as Hazardous Materials Technician or Hazardous Materials Specialist and whose regularly assigned workplace is Station 9 shall receive an additional 2-1/2%, applied to Firefighter Step 5, per month as special assignment pay. This will be done in accordance with the City's Salary Schedule.

To continue to be eligible for this special assignment pay, employees must maintain their competency by attending offered refresher courses. When such courses are offered while employees are on duty, the Department will make provisions for their attendance. Employees will not be compensated for courses attended during off duty hours.

The City reserves the right to discontinue this special assignment pay provision, should the City's method of responding to Hazardous Materials incidents change.

D. Investigation Duty

Deputy Fire Marshals shall be routinely and consistently available for Investigation Duty. The Deputy Fire Marshal who is on-call shall receive 7 hours of compensatory time off per week of assigned on call duty. The employee shall work a regular schedule, as defined in Section 19 of this MOU, with an unpaid half-hour lunch.

16. LIMITED/ALTERNATIVE DUTY

A. JOB RELATED ILLNESS OR INJURY

Employees who have a job related illness or injury which requires him/her to be off work under Workers' Compensation will be assigned to limited or alternative duty under the following condition:

Supervisors shall be advised of the medical condition of any industrial injury as soon as practical. Upon receipt of a Doctor's report which provides work limitations, the City may identify a regular or modified assignment that the employee has the required experience and training to be eligible for assignment to. Such assignment may be based upon a 40 hour per week or 56 hour per week basis.

Employees who have a job related illness or injury which requires him/her to be off work under Workers' Compensation and who do not qualify for limited or alternative duty will be reassigned to a Monday through Friday work schedule to keep required medical or other workers' compensation commitments.

B. NON JOB RELATED ILLNESS, INJURY OR CONDITION

Employees who have a non job related illness, injury or condition which requires him/her to be off work may request to be assigned to limited or alternative duty. Nothing in these provisions is intended to imply that an employee has a right to a limited/alternative duty assignment, unless expressly provided by law. Such request will be accommodated unless no appropriate limited or alternative duty assignment is available under the following conditions:

- 1) Identification by the City of a regular or modified assignment for the employee has the required experience and training to be eligible for assignment to. Such assignment may be based upon a 40 hour per week or 56 hour per week basis.
- 2) Upon a written release from his/her doctor, subject to review by the City doctor, which allows the employee to perform all of the duties of the contemplated assignment.
- 3) Employees will be required to account for 40 hours or 56 hours, depending upon the work schedule, through a combination of limited or

alternative duty hours and sick leave or other paid leave (vacation or CTO).

- C. Under both of these limited or alternative duty assignments employees will be required to work a minimum of forty (40) hours per week, unless such assignment is modified by mutual agreement between the City and the employee. Sick leave, other paid leave, or Workers' Compensation benefits which are used during the scheduled work week will be charged at the appropriate 40 hour or 56 hour work week rate. It is recognized that performance of limited or alternative duty assignments will not be permitted to interfere with any medically related treatment designed to assist the employee to return to full, unrestricted duty in the earliest possible time frame.

All such assignments, and their duration, are temporary assignments and are subject to periodic sixty (60) day review of the employee's continued need for limited or alternative duty, the employee's continued ability to perform the limited or alternative duty and the department's ability to continue the employee in the assignment.

17. UNQUALIFIED FOR DUTY - RESOLUTION OF DISAGREEMENT

In the event a represented employee is held unqualified for duty after a City required baseline medical examination, the employee shall be entitled to have a second opinion by his/her personal physician. In the event there is disagreement between the employee's physician and the City's physician as to the ability of the employee to perform his/her duties, both evaluations will be submitted to a mutually agreed upon Independent Medical Examiner (IME) who has a medical specialty in the area of the identified medical problem who shall also examine the employee. The IME shall then make the determination as to the employee's fitness for duty. The cost of examination by the IME shall be shared equally by the employee and the City. If the employee had been disqualified for a non-industrial injury or illness and is determined to be fit for duty (or determined to be previously fit for duty), all sick leave time (or other paid leave time used in lieu of sick leave) which has been used by the employee as a result of the forced time off duty shall be reinstated to the employee, credited from the date which the IME has determined as the date which the employee was eligible to return to his/her regular duty.

18. EMT-D CERTIFICATION

Each employee in the Emergency Operations Division shall be required to obtain and maintain EMT-D certification through the Department's on duty training. Failure to maintain such certification shall result in the employee taking part in a remedial training program approved by the Fire Chief or his/her designee to ensure certification in a timely manner. Failure to obtain certification under the departmental remedial training program, or the withdrawal of the employee's eligibility to perform his/her duty in the Emergency Operations Division, will result in reassignment to a modified duty assignment for a period not to exceed ninety (90) calendar days while the employee continues to regain EMT-D certification. Failure to obtain EMT-D certification after this ninety (90) calendar day period will

result in appropriate disciplinary action.

19. WORK SCHEDULE – FIRE PREVENTION

Employees in the Deputy Fire Marshal classification assigned to the Fire Prevention Division shall continue to have the option of a five (5) day, forty (40) hour workweek or a nine (9) day, eighty (80) hour biweekly work schedule.

The Deputy Fire Marshal who is assigned as the Investigation Duty Deputy shall be required to be on call on a pager during normal time off over the assignment period.

20. SICK LEAVE/FAMILY SICK LEAVE/PERSONAL LEAVE

A. SICK LEAVE

- 1) Employees shall accrue twelve (12) shifts (96 hours for 40 hour per week employees and 288 hours for 56 hour per week employees) per year of regular City employment. Sick leave shall accrue in equal amounts each pay period, provided that the employee is in a regular paid status, excluding hours charged for use of sick leave or personal leave, for at least 36 hours per pay period for 40 hour per week employees or 50 hours per pay period for 56 hour per week employees. Employees shall not accrue sick leave while they are on unpaid status.
- 2) Use of sick leave will be under the same terms and conditions as are now in place. Vacation and/or CTO may be used to supplement sick leave as available, consistent with City Manager Directive (CMD) #30
- 3) In lieu of receiving a Sick Leave cash payout at retirement, the Union may vote to roll accrued Sick Leave hours into the employee's VEBA account, subject to Union compliance with Federal rules associated with employee contributions of Sick Leave to their Voluntary Employee Beneficiary Association (VEBA) accounts. Sick Leave payout at retirement is subject to the provisions and requirements outlined in the Personnel and Salary Resolution.

B. FAMILY SICK LEAVE

- 1) Not more than six (6) shifts (48 hours for 40 hour per week employees and 144 hours for 56 hour per week employees) of sick leave within one calendar year shall be granted to any employee for the care or attendance upon members of his/her immediate family, unless the use of additional leave is approved by the City Manager or designee. "Immediate family" is defined as spouse, parent, child, sibling, grandparent, grandchild, aunt, uncle, niece, nephew, first cousin, parent by marriage, step-parent, step-child, grandparent by marriage, son-in-law, daughter-in-law, sibling by marriage, foster parent, domestic partner, anyone residing with employee, or anyone dependent on the employee for care.

C. PERSONAL LEAVE

- 1) Each calendar year, an employee is entitled to use a maximum of two (2) shifts (8 hours or 24 hours) of accrued Sick Leave as Personal Leave, provided that he/she has sufficient sick leave balance available. Minimum Personal Leave usage shall be for two (2) hours.
- 2) Personal leave is intended to provide the employee with short notice time off with pay to attend to personal business that may arise from time to time during the year. Personal leave may be used to supplement sick leave as required. Personal leave may not be combined with vacation or CTO usage unless the usage is in conjunction with supplementing sick leave or the combined usage is not more than a regular work shift.
- 3) One additional twelve (12) hour overtime call back per shift in the Fire Protection Division will be granted for Personal Leave. Except for the overtime call back as outlined, Personal Leave use requests will be granted subject to available staffing. Personal Leave may be granted for the entire shift when requested. Employees working in other divisions are granted Personal Leave based upon that division's ability to allow time off.
- 4) The employee has an obligation to provide as much notice as possible, preferably one hour prior to the start of the shift, except in emergencies, so as to allow for proper scheduling by the department.
- 5) Providing that the requirements of Fire Chief's Directive 223 have been met, the use of Personal Leave will not be denied.
- 6) Notwithstanding the foregoing provisions, the Department may allow, subject to the needs of the Department at the time of request, for Personal Leave usage as requested by the employee which may not comply with paragraphs 2, 3, or 4.
- 7) The adoption of this program does not modify the existing ability of the employee to exchange accrued Sick Leave for vacation as provided and defined in the Personnel and Salary Resolution.

21. BEREAVEMENT LEAVE

- A. The City will provide employees with a paid bereavement leave benefit to attend to the customary obligations arising from the death of a member of an employee's immediate family, as defined in this Section 21(A). Employees are eligible to receive up to forty (40) hours (or three (3) shifts for 24-hour employees) of bereavement leave in the event of the death of a parent (including step, adoptive and in-law), child (including step, adoptive and in-law), sibling (including step, adoptive and in-law), spouse or domestic partner; up to three (3) work days (or two (2) shifts for 24-hour employees) of bereavement leave in the event of the death of a grandparent (including step, adoptive and in-law), grandchild (including step, adoptive and in-law), aunt (including step, adoptive and in-law) or uncle (including step, adoptive and in-law); and up to one (1) work day (or one (1) shift for 24-hour employees) of

bereavement leave in the event of the death of their own or a step, adoptive, or in-law great-grandparent, great-grandchild, niece, nephew, or first cousin.

- B. The bereavement leave benefit is based on each death occurrence and is not charged through the total compensation model.
- C. Up to five (5) work days (or five (5) shifts for 24-hour employees) of additional bereavement leave may be charged to an employee's sick leave balance with City Manager approval.
- D. At the request of the City, the employee will provide verification.

22. EMERGENCY PAID LEAVE POOL

A. ADMINISTRATION

Administration of this program shall be provided by a three (3) member Emergency Paid Leave Board (Board) consisting of two (2) members of the Firefighters Board and the City Director of Human Resources (or designee). Determination of eligibility to use the Emergency Paid Leave established in this Emergency Paid Leave pool will be by majority vote of this board. An adverse decision of this board may be appealed to the Firefighters Board of Directors and their determination shall be final.

B. METHOD OF DONATION

- 1) Contribution of vacation or CTO will be computed at the member's base hourly rate of pay (excluding premium or specialty pay).
- 2) Contribution may be made from earned vacation, CTO or cash only. Conversion of Sick Leave to Vacation for purposes of donation to this pool will be immediately credited to the pool.
- 3) In a case where it has become known that an employee has been seriously injured or has a life-threatening illness and is in need of assistance from the Emergency Paid Leave Pool, contributions from accrued Sick Leave, bypassing Vacation conversion, computed at the contributing employee's base hourly rate of pay (excluding premium or specialty pay) may be made for the benefit of that specific employee who has the need.
- 4) Employee may authorize the City to automatically convert vacation that should be accrued to the employee to the pool when the employee's vacation accrual has reached the maximum allowed.
- 5) Funds contributed to the Emergency Paid Leave Pool will be placed in an interest bearing Trust Fund. The Trust Fund will be accumulated in total dollars. No record of number of hours contributed to the Pool will be maintained. An employee making a donation to the Pool will not have a vested right to the amount donated.

- 6) Employees may contribute earned vacation, CTO, or cash to the Emergency Paid Leave Pools of other City bargaining groups.

C. USE OF POOL

- 1) Employee must have a verified emergency need for time off to request Emergency Paid Leave from the pool. Medical emergencies for the employee or dependent shall be verified by a doctor's certification and shall include the anticipated duration of the medical emergency. Non-medical emergencies shall be verified by certification acceptable to the Board and shall include the anticipated duration of the emergency.
- 2) Employee must have exhausted appropriate paid leave (sick leave including eligible conversion to vacation, vacation or CTO) prior to becoming eligible to request leave benefits from the pool.
- 3) The maximum time available from the pool (subject to the assets of the pool) will be 160 hours (two [2] pay periods) for 40 hour per week employees or 224 hours (two [2] pay periods) for 24 hour per day employees for Emergency Paid Leave benefits due to the illness or injury of the employee or the maximum allowable accrual of vacation for emergency needs of the family of the employee.
- 4) Emergency Paid Leave will be deducted from the pool based upon the employee's base hourly rate of pay (excluding premium or specialty pay).
- 5) Use of Emergency Paid Leave from the pool will be treated in the same manner as use of regular vacation. The employee will continue to accrue sick leave, vacation, insurance coverage and other benefits in the same manner as he/she would if using regularly credited vacation.
- 6) Emergency Paid Leave which has been credited to the employee and has not been used when the emergency has terminated will be reinstated to the pool. Vacation, sick leave and other benefits which have accrued to the employee will remain in the employee's account.
- 7) Emergency Paid Leave hours will not be available for use until the pay period following approval by the Board.

23. REDUCED WORK WEEK/REDUCED PAY AND VOLUNTARY TIME OFF(VTO)

Employee participation in this plan is contingent upon the City's understanding and agreement that employee participation cannot be interpreted as anything other than a temporary and limited good faith effort being made by the employee to do his/her part to help ease the current budget crisis. This is not to be construed as a representation of employee commitment to a permanent program or an admission of any kind that the employee would not be harmed by such a plan becoming mandatory.

A. REDUCED WORK WEEK/REDUCED PAY

Employees may request a reduced workweek schedule (32 hours per week instead of 40 hours per week, for example) at the same hourly rate of pay, subject to the following conditions:

- 1) With the approval of the Department Head and the City Manager, a binding work schedule as requested by the employee will be developed that may be modified only with the approval of both the City and the employee.
- 2) More than a 20% reduction of the work week in a pay period will result in proportionate reduction of accrual of sick leave and vacation.
- 3) No reduction of insurance premium payment or refund as long as sufficient hours are worked to allow for full payment of the premium for an employee working a full time work schedule. If the number of hours worked is less than the number required for full payment of premiums or refunds, the premium or refund payments will be reduced in proportion to the hours required to gain full credit.
- 4) Impact on retirement and other benefits will be determined by the application of actual work hours and rates of pay required under each of those programs.
- 5) Overtime hours will be paid at the straight time rate for hours worked which are less than the employee's regular daily work schedule or 40 hours per week. Overtime hours worked in excess of the employee's regular daily work schedule or more than 40 hours per week will be at the appropriate overtime rate.
- 6) Cancellation of the employee's participation in the program will be by mutual agreement of the employee and the Department Head, with the approval of the City Manager.

B. VOLUNTARY TIME OFF

Employees may request voluntary unpaid time off under the following conditions:

- 1) Approval of a work schedule that does not adversely impact the operations of the department or other employees in the work unit with the approval of the Department Head and the City Manager.
- 2) No impact on either sick leave or vacation accrual if sufficient hours are worked in a pay period to entitle the employee to his/her regular accrual rate for either benefit.
- 3) No reduction of insurance premium payment or refund as long as sufficient hours are worked to allow for full payment of the premium for an employee working a full time work schedule. If the number of hours worked is less than the number required for full payment of premiums or

refunds, the premium or refund payments will be reduced in proportion to the hours required to gain full credit.

- 4) Voluntary time off may be taken without the employee first using all of his/her accrued Compensatory Time Off (CTO).
- 5) Employee may cancel his/her participation in the program with a notice time agreed upon at the time of the granting of the request which will be sufficient to allow the department head to accommodate the request.
- 6) Cancellation of the employee's participation in the program will be at the discretion of the Department Head with the approval of the City Manager.

24. LAY-OFF POLICY

- A. The need for reduction in force shall be determined by the City Manager as a result of the resource allocation plan adopted by City Council. The determination to reduce the work force shall contain reasons for reduction and a listing of programs which are affected, and the specific City classifications and numbers within each classification which shall be reduced.
- B. In the event the City demonstrates it is necessary to reduce the work force of represented employees, the City agrees to meet-and-consult with the Bargaining Group at least thirty (30) days prior to any layoff notifications to receive recommendations as to how best to accomplish this process with the least impact on represented employees, and to explore alternatives such as reductions in work hours, freezing of merit pay increases or similar programs which will result in reducing the City's labor costs.
- C. If the City implements a reduction in work force, the City will administer the lay-off policy consistent with the following concepts:
 - 1) ORDER: The order of lay-off shall be as follows:
 - a. Temporary (as-needed) employees
 - b. Probationary employees
 - c. Permanent employees in inverse order of seniority based on hire date within the Fire Department.
 - 2) SENIORITY: Seniority shall be determined by the length of current continuous, permanent service within the Fire Department regardless of classification in which employed. Continuous service shall be defined as that which has not been interrupted by separation of service from the Fire Department. Seniority shall be retained, but shall not accrue, during any period of authorized leave without pay (more than 5 days), except for military leave.
 - 3) NOTICE: When the City determines that it must implement a reduction in work force, notice to the employee shall be in writing at least thirty (30) days prior to the effective date of the lay-off. The Bargaining Group shall

also receive concurrent notification of lay-off. The notice of lay-off shall contain the following:

- a. Reason for lay-off
- b. Effective date of lay-off
- c. Opportunity to discuss lay-off with a representative of management
- d. Conditions governing re-employment
- e. Information regarding Unemployment insurance

- 4) REASSIGNMENT (BUMPING): Employees identified for lay-off shall have reassignment rights (bumping) to the same classification in a different department or division or to a previously held classification in which the employee attained permanent status based upon seniority with the City of Santa Clara. Employees must exercise these rights by notifying Human Resources, in writing, within seven (7) calendar days after receiving written notification of the lay off.

An employee who is bumped to a lower classification and who qualified to apply for a promotional examination for a position in the Fire Department before being bumped into the lower classification shall continue to be eligible to apply for a promotional examination for that position as long as he/she continues to meet the education and experience requirements for that classification.

D. In the event of lay-off, any employee so affected may elect to:

- 1) Accept a position in a lateral or lower class in which he/she has permanent status, or a position in a lateral or lower class within the series containing the class from which the employee is being laid off, provided he/she is otherwise qualified and is more senior than the least senior employee in such lateral or lower class.
- 2) Accept a position in higher class, provided he/she has held permanent status in such higher class, and further provided that the employee's transfer from the higher class was voluntary and occurred during his/her current period of employment and provided he/she is otherwise qualified and is more senior than the least senior employee in such higher class.
- 3) Accept a vacant position in a lateral or lower class for which he/she is otherwise qualified.
- 4) Any employee entitled to an option noted above, which involves assignment to a lower classification, may elect to be placed on lay-off in lieu of accepting such assignment to the lower class. In the event the employee elects to be placed on lay-off, such employee will only be recalled to the classification from which the employee elected to be placed on lay-off. The decision to not accept assignment to a lower classification may adversely effect the employee's ability to collect unemployment insurance.

E. RE-EMPLOYMENT/REINSTATEMENT LISTS

MEMORANDUM OF UNDERSTANDING – UNIT # 1 (2007-2011)

- 1) The names of regular or probationary employees laid-off according to this policy will be placed on a Re-employment List for each classification for which the employee is eligible in the inverse order of the lay-off. Individuals' names will be retained on a Re-employment List for classified positions for five (5) years from the effective date of lay-off. Employees whose names are on a Re-employment List for classified positions will be notified of other related openings for which testing is scheduled.
- 2) In the event an employee accepts reinstatement to a lower class than the one from which laid off, such person's name shall remain on the Re-employment List for reinstatement to the class from which laid off, lateral classes or other higher classes upon which his/her name appears provided such person, except for lack of seniority, would have been otherwise entitled to such lateral class at the time of the most recent lay-off. Individuals' names will be retained on a Re-employment List for classified positions for five (5) years from the effective date of lay-off. Employees whose names are on a Re-employment List for classified positions will be notified of other related openings for which testing is scheduled.

25. SICK LEAVE ACCRUAL WHILE ON LABOR CODE 4850

Employees who have sufficient time in a paid status, including Section 4850 time, in a pay period that qualifies for accrual of sick leave will be credited for sick leave accrual during that pay period.

26. PHYSICAL FITNESS/ABILITY STANDARD

The existing Fire Department Physical Fitness/Ability Standard will be enhanced with the Physical Fitness Program (dated August 20, 2002) developed by a Union-Management project team.

27. STEP INCREASES

Step increases will be applied as follows:

- A. Employees who have an anniversary date that falls within the first week of the pay period and who have been approved for a step increase will be adjusted on the beginning day of the pay period during which the anniversary date falls.
- B. Employees who have an anniversary date that falls within the second week of the pay period and who have been approved for a step increase will be adjusted on the beginning day of the pay period immediately following the anniversary date.

28. PROMOTIONAL TESTING

To the extent practical, testing for promotional examinations within the Fire Department will be scheduled to take place on the employee's unpaid time off. Testing which cannot be scheduled to occur on the employee's time off will be

scheduled in such a way as to minimize the impact on the Fire Department staffing requirements. Employees who take a promotional exam during a regular scheduled shift may do so on paid City time and shall not be required to use paid leave. An employee who will be taking a promotional exam during a regular scheduled shift shall provide his/her Battalion Chief with sufficient notice so that the Battalion Chief can make arrangements to relieve the employee sixty (60) minutes prior to the scheduled examination.

29. SICK LEAVE CONVERSION (EXTRAORDINARY)

Represented employees may convert sick leave to vacation for use in extraordinary circumstances on a basis of 24 shifts sick leave to 8 shifts vacation for 24 hour employees and 12 shifts of sick leave to 6 shifts vacation for 40 hour employees. Any remaining sick leave to vacation conversion balance which has not been used in conjunction with the extraordinary circumstance when the need for extraordinary vacation has been eliminated will be restored to the sick leave balance on the reverse ratio. Extraordinary vacation conversion is limited to the stated conversion amount during any 12 month period and is subject to the following conditions:

- A. The employee must have sufficient sick leave balance available for the requested conversion.
- B. Conversion is limited to the need in relation to birth or adoption of a child or to care for a child, parent or spouse with a serious health condition.
- C. Use of sick leave converted to vacation is limited to the qualifying event and extraordinary vacation use is approved on the basis of the need defined above.

The conversion program outlined above does not replace the existing sick leave to vacation conversion program described in the Personnel and Salary Resolution.

D.

30. VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION (VEBA)

The City established a Voluntary Employee Beneficiary Association (VEBA) trust under Internal Revenue Code Section 501(c)(9) for the purpose of providing a defined contribution post retirement medical benefit for employees. Specific information regarding the Plan will be referenced in the Plan Document.

A VEBA is a tax-exempt trust account formed under Internal Revenue Code Section 501(c)(9) designed to accumulate assets to fund the future payment of qualified medical expenses (including specified insurance premiums). At retirement, participants may withdraw the accumulated plan benefits to pay for unreimbursed health insurance premiums, qualified long term care insurance premiums, and other qualified unreimbursed medical expenses and will not be taxed under current state and federal law. Withdrawals cannot be made for non-medical purposes.

Effective December 21, 2003, the City ceased making contributions to employee VEBA accounts. Employee VEBA accounts remained and will remain open for other potential contributions. Effective December 14, 2008, the City will contribute \$50 per month to employees' VEBA trust. This contribution shall not be included on the Total Compensation Array/Salary Adjustment Form or in total compensation for a Santa Clara Firefighter in the survey of comparison agencies.

31. RETIREE MEDICAL REIMBURSEMENT BENEFIT

The Retiree Medical Reimbursement Benefit shall provide each employee, regardless of retirement date, who retires from the City of Santa Clara and CalPERS with at least ten (10) years of regular City service with a reimbursement for single retiree health insurance premium beginning with the first full month of retirement from City service and ending with the last full month before the retiree's sixty-fifth (65th) birthday. Starting with the month in which the retiree turns age sixty-five (65), the reimbursement will be for Medicare single retiree supplemental health insurance premium or unreimbursed single retiree health insurance premium.

For premiums paid in calendar year 2007 that will be reimbursed in 2008, the City will reimburse an amount up to \$269 per month, including the PEMHCA minimum, for unreimbursed single retiree health insurance premium or up to \$164 per month, including the PEMHCA minimum, for unreimbursed Medicare single retiree supplemental health insurance premium or unreimbursed single retiree health insurance premium. The amount of the City reimbursement will be adjusted once each year by the percentage change from October to October in the San Francisco-Oakland-San Jose urban wage earners and clerical workers (W) consumer price index from the prior year, but in no event will be increased more than 3.5%.

Beginning in 2004, the City will pre-fund this benefit with an amount to be determined by an actuary.

Each retiree will be required to submit proof of health insurance coverage to the City each year. The City will pay the reimbursement in a lump sum payment quarterly. The City's Retiree Medical Benefit shall be the primary plan; the Union's retiree medical plan is secondary.

32. UNION RETIREE MEDICAL INSURANCE PROGRAM

The Union may also choose to develop a program out of total compensation to establish a Retired Employee Medical Insurance Program through a deferred compensation program as provided for under Section 401(a)(h) of the Internal Revenue Service Code with individual accounts funded through an established dollar amount allocated from total compensation. If established, this program will apply to active employees only and will not modify the existing medical and dental insurance premium program operated by the Union.

33. NONDISCRIMINATION CLAUSE

MEMORANDUM OF UNDERSTANDING – UNIT # 1 (2007-2011)

The City of Santa Clara has an equal employment opportunity policy which states its long-term commitment to equal employment opportunity for all employees and employment applicants (initial employment and promotional). The equal employment opportunity policy is contained in the City's Affirmative Action Plan, and it is implemented by City Manager Directive # 131. The discrimination complaint procedure is addressed in City Manager Directive #131.

34. EMPLOYEE ASSISTANCE PROGRAM (EAP)

The City will continue to provide a confidential Employee Assistance Program (EAP) funded outside of Total Compensation each year.

35. DOMESTIC PARTNERS

The City shall make all benefit programs available to employees, dependents and domestic partners, subject to the requirements of each benefit provider.

36. FLEXIBLE SPENDING ACCOUNT (IRS SECTION 125 PLAN)

The City has established a Flexible Spending Account benefit (IRS Section 125 Plan) for employees, which provides accounts in which employees may contribute pre-tax dollars for dependent care and un-reimbursed medical expenses. This Plan will follow the regulations outlined by the Internal Revenue Service. The City will pay for administrative plan expenses and participating employees will pay the monthly participation cost.

37. NEXT MEMORANDUM OF UNDERSTANDING

The Union and the City will exchange their proposals for a MOU for the term commencing at the expiration of this MOU no later than October 1, 2011.

38. EMPLOYEE RIGHTS

All rights, privileges and working conditions enjoyed by the classification represented by Union herein, as defined in the current Personnel and Salary Resolution and in the City of Santa Clara Resolution No. 2979, entitled "Employer-Employee Relations" dated December, 1972, and other City resolutions, if any, dealing with employee rights and benefits shall not be reduced during the term of this MOU, except in accordance with the provisions of this MOU.

39. MANAGEMENT RIGHTS

The City Council on its own behalf and on behalf of the City hereby retains and reserves unto itself all rights, power, authority, duty, responsibility and obligations conferred on and vested in it by the laws and Constitutions of the State of California and the United States of America. The exercise of such rights, power, authority, duty, responsibility and obligations by the City Council and the adoption of such rules, regulations, policies as are necessary and as they apply to employees represented by Union, shall be in accord with this MOU to the extent that they do not violate any of the reserved duties, responsibilities and obligations

conferred on and vested in it by the laws, Charter of the City, Constitutions of the State of California, and the United States of America.

Subject to State law and the provisions of City of Santa Clara Employer-Employee Relations Resolution, the rights of the City through its Council and Management include, but are not limited to: the exclusive right to determine the mission of its constituent departments, commissions and boards; set standards of service; determine the procedures and standards of selection for employment and promotion; establish and enforce reasonable dress and grooming standards; direct its employees; determine the methods, means and personnel by which government operations are to be conducted; determine the content and intent of job classifications; determine methods of financing; determine style and/or types of City issued wearing apparel, equipment or technology to be used; determine and/or change the facilities, methods, technology, means organizational structure and size and composition of the work force and allocate and assign work by which the City operations are to be conducted; determine and change the number of locations, relocations and types of operations, processes and materials to be used in carrying out all City functions including, but not limited to, the right to contract for or subcontract any work or operation of the City; to assign work to and schedule employees in accordance with requirements as determined by the City including but not limited to, emergency overtime and callback, and to establish and change work schedules and assignments upon reasonable notice; establish and modify productivity and performance programs and standards; discharge, suspend, demote, reprimand, withhold salary increases and benefits, or otherwise discipline employees for cause; establish and modify probationary periods and reasonable employee performance standards including, but not limited to, quality, and quantity standards; and to require compliance therewith; take all necessary actions to carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work.

40. GRIEVANCES

The Union shall have the right to file grievances in its own name on behalf of its members consistent with the process in City Manager Directive No. 47.

41. CITY BULLETIN BOARDS

On or before April 30, 2008, the Union and Fire Chief will meet and confer in good faith on a Fire Chief Directive that would set forth appropriate rules regarding IAFF's right to use designated City bulletin boards.

42. UNION TIME OFF

The City will provide duly elected Union representatives or their designees with reasonable time off for meetings with management on Union-related subjects, for discipline or grievance meetings and hearings, and for MOU negotiations. Such time shall be approved prior to its use; however, Union representatives shall typically each be afforded an hour off before and an hour after labor negotiations and one hour off for preparation or meetings prior to a discipline or grievance meeting. Whenever possible, Union representatives shall submit a written

request to the Fire Chief or his/her designee for the authorized time off at least 24 hours in advance.

42. SCOPE OF THIS MEMORANDUM OF UNDERSTANDING

The parties acknowledge that during the meetings which preceded this MOU, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this MOU. Therefore, for the life of this MOU, the City and the Union voluntarily and unqualifiedly waive the rights and each agrees that the other shall not be obligated to meet and confer with respect to any subject or matter not referred to or covered in this MOU, even though such subjects or matters may not have been within the knowledge or contemplation of either or both parties at the time they met and signed this agreement.

Notwithstanding the foregoing, however, in the event any portion of this MOU is declared null and void by superseding Federal, State or City law, the balance of this MOU shall continue in full force and effect, and the parties shall immediately commence the meet and confer process to ensure that the superseded portions shall be rewritten to conform as nearly as possible to the original intent. Nothing in the foregoing shall prevent the parties to this agreement from meeting-and-conferring during the term of this MOU in matters of mutual concern. Such meeting-and-conferring shall be established and continued by mutual consent only. If, after meeting and conferring between the management representatives and the majority employee representatives, no agreement has been reached, such items under discussion shall remain unchanged.

The City further reserves the right to consider required organizational and operational changes in the economical and efficient operation of the Department whenever existing or future statutes bring about additional monetary costs.

MEMORANDUM OF UNDERSTANDING – UNIT # 1 (2007-2011)

Edward L. Kreisberg, Lead Negotiator

Dated: _____

Gary Niblock, Lead Negotiator
IAFF Local 1171

Dated: _____

Phil Kleinheinz, Fire Chief

Dated: _____

David Rose, President, IAFF Local 1171

Dated: _____

Tina Murphy, Acting Assistant Director
of Human Resources

Dated: _____

Dennis McDowell, IAFF Local 1171

Dated: _____

Vanessa Guerra, Administrative Analyst

Dated: _____

Jeremy Ray, IAFF Local 1171

Dated: _____

Fred Schulenburg, Financial Services
Division Manager

Dated: _____

J.D. Madden, IAFF Local 1171,

Dated: _____

Drew Miller, IAFF Local 1171,

Dated: _____

APPROVED: _____
JENNIFER SPARACINO, City Manager

APPROVED BY THE CITY COUNCIL ON: _____

ATTEST: _____
RODNEY DIRIDON, JR., City Clerk/City Auditor